

Natural Gas - Revised 3/5/98

Application Process

Public Information / Utility Connection Procedure Sheet

An Information / Utility Connection Procedure sheet and application form will be given to applicants requesting natural gas services from the City. Said forms outline the procedure and process for obtaining City services for utilities as well as other useful information regarding use of said City services, including timing, construction, inspection, activation, rates, billing policies, due dates, disconnect information, service, maintenance and termination.

Categories

The following are the designated customer categories. Policies may be different for each given category:

Residential - Home or Facility used for the purpose of a primary or secondary residence. May includes a Home Occupation as outlined in the Zoning Ordinance.

Commercial - All Others

Application Form

Applicants interested in obtaining natural gas services from the City must fill out a Utility application form. This will include customer granting of utility easements across, over, under, or along customers property. In the event that the required easements can not be obtained the application form will not be approved.

Credit Requirements

All applicants for City Utilities shall as part of the Utility application will provide credit history information to the City. The applicants credit must qualify for the normal deposit or the deposit may be increased as determined by the City Administrator, not to exceed two times average or estimated monthly billing.

Review & Approval

The form must be approved by the City Administrator, City Planner, City Engineer, and General Service director prior to the utility being connected.

Fees

Connection Fees

Fees for connection will be charged as follows:

\$325.00 all customers.

All customers who had a riser or stub installed to their building to be serviced during initial natural gas installation to the city will not be required to pay the \$325.00 Connection Fee unless otherwise agreed.

Connection fees will be paid prior to use or at the time application is approved by the City.

Security Deposits

No additional deposits are required for just natural gas service. The following deposits are required to receive any Utility service from the City.

<u>Residential/Home Owner</u>	\$0.00 - no deposit required unless delinquent in their payment for 3 times within a year period. After a home owner has been delinquent for 3 times in any given year they will be required to pay a deposit of 2 times their average monthly usage.
<u>Residential/Other</u>	\$150.00 - Only \$150.00 deposit required unless delinquent in their payment for 3 times within a year period. After a house renter has been delinquent for 3 times in any given year they will be required to pay a deposit of 2 times their average monthly usage.
<u>Residential/Basic</u>	\$150.00 - Only \$150.00 deposit required unless delinquent in their payment for 3 times within a year period. After a house renter has been delinquent for 3 times in any given year they will be required to pay a deposit of 2 times their average monthly usage.
<u>Multi Family/Apartment</u>	\$150.00 - Only \$150.00 deposit required unless delinquent in their payment for 3 times within a year period. After a house renter has been delinquent for 3 times in any given year they will be required to pay a deposit of 2 times their average monthly usage.
<u>Small Commercial</u>	\$An amount equal to two months usage as estimated or as known by historical use.
<u>Large Commercial</u>	\$An amount equal to two months usage as estimated or as known by historical use.

A customer may request that a security deposit be returned after a period of three years if the customer has not been delinquent on their utility bill during said three year period.

Impact Fees

No natural gas impact fees are currently being charged by the City.

Construction

All natural gas service lines will be installed by the City in accordance with the following policy.

Bidding Process and Approval

Residential Connections Inside City Limits - The City will install natural gas for the customer from the nearest suitable natural gas service line of the City to the natural gas meter on the Customers building at the Customer's expense including the cost of the meter. An estimate will be provided by the City prior to construction at the customers request. The customer must agree to pay for construction costs by signing the utility application prior to construction beginning. The City in connection with the customer will be responsible to get the appropriate easements. Any concerns will be taken to the City Council for a final decision.

A customer who had a natural gas riser installed to the foundation of their building to be serviced during the initial natural gas installation to the city and has been paying a monthly minimum fee of \$8.00, will not be required to pay any additional construction cost except for those required to relocate the riser service to another location at the customers request or convenience.

Each customer who has had a Natural Gas Stub in a vacant lot will pay the actual cost of construction from the stub including but not limited to materials, meter, regulator and labor. They would not be required to pay the \$325 connection fee.

Commercial Connections Inside City Limits - The City will install natural gas for the customer from the nearest suitable natural gas service line of the City to the natural gas meter on the Customers building at the Customer's expense including the cost of the meter. An estimate will be provided by the City prior to construction at the customers request. The customer must agree to pay for construction costs by signing the utility application prior to construction beginning. The City in connection with the customer will be responsible to get the appropriate easements. Any concerns will be taken to the City Council for a final decision.

Residential & Commercial Connections Outside City Limits - The City at the Cities option will install natural gas for the customer from the nearest suitable natural gas service line of the City to the natural gas meter on the Customers building at the Customer's expense including the cost of the meter. An estimate will be provided by the City prior to construction at the customers request. The customer must agree to pay for construction costs by signing the utility application prior to construction beginning. The City in connection with the customer will be responsible to get the appropriate easements. All requests for service outside City Limits must be approved by the City Administrator, City Planner, City Engineer, General Service Director and City Council. Any concerns will be taken to the City Council for a final decision. A construction deposit equal to the amount of the estimate will be paid to the City by the customer prior to extension of the natural gas service lines. The customer will be responsible to get the appropriate easements. A customer must have the appropriate

inspections by the county and city as evidenced in writing to the City prior to the City activating the natural gas service.

Estimate

An approved application will be given to the Natural Gas Superintendent. The Natural Gas Superintendent will schedule with the customer to get an estimate to extend the natural gas service lines to the customers meter location and give the customer and the City Administrator a copy of the estimate in writing. All extension of lines will be done by the City.

Easements

The City Engineer and or City Planner will be responsible to obtain the required easements when it is the City's responsibility to get said easements. All required easements must be obtained prior to the commencement of any construction or line extension. The City Engineer and or City Planner will assist the customer in providing information regarding any required easements. If the City does not receive the appropriate easements the utility will not be extended.

Street Cuts

All street cuts with regard to natural gas will be done by the City Natural Gas Department.

Meter Replacements

In the event a customer insists that a meter be replaced against the city's recommendations, and it is later found that the meter was in good working condition the customer will be billed for the cost of the new meter and the new meter installation.

Meter Placement

The meter shall be placed at a location which meets state and local building codes. The customer is to be consulted to determine a preferable location in the event meter location options are available. All meter locations are subject to City approval.

Inspection & Activation

Prior to activation of the natural gas service the following procedures will be followed.

- Approval of service line path and required easements by Building Inspector and City Engineer.
- Extension/installation of natural gas line by the City.
- Approval of line extension by Natural Gas Superintendent prior to covering the line.
- Meter set by the City approved by Natural Gas Superintendent or his designee. Meters will be set so that they can easily be accessed by City meter readers.
- Receipt of all moneys due the City verified by the City Administrator.
- Receipt of signed application and security deposit verified by City Administrator.
- Activation of Utility.

Rates & Billing

Utility bills will be mailed to each customer on or near the 1st day of each month.

The payment policy of the City Utility shall be as follows:

- Bills are due and payable in full on the 10th day of each month or next regularly scheduled work day.
- Bills paid after the 25th will be charged a \$15.00 late fee.
- Interest at the rate of 1.75% per month or 21% per annum will be added to all accounts not paid by the 25th of the month.
- All returned checks will be assessed a \$15.00 service charge and the customer will be subject to a 24 hour disconnect.

Billing Questions - All billing questions will be directed to the City Administrative Office. If a customer insists that a meter be read again against the city's recommendation, and it is found that the meter was originally read correctly, the customer at the City Administrators discretion may be billed \$10.00. All other errors in billing will be adjusted at city expense

Rates

Natural Gas rates will be set by the City Council.

Each natural gas customer who has natural gas, or a natural gas riser except as noted herein will be charged a minimum service fee of \$8.00 in addition to their natural gas usage. Natural gas rates are set on a per therm basis.

Each customer who has had a Natural Gas Stub in a vacant lot will pay a minimum service fee of \$4.00.

In addition to these minimum monthly service fee the City is currently billing natural gas at a rate of 77.5¢ per therm subject to change by the City Council.

Service & Maintenance

After the initial installation, inspection, and acceptance of the utility lines by the City, all rights and title to all utility lines will remain with the City up to the meter. Except as noted herein, the City will provide at its expense all necessary labor and materials for repairs and maintenance of natural gas service lines up to that point of delivery. When notification is given to the City that repairs or maintenance is required the City shall verify, and unless a life safety consideration requires immediate action, the City will perform necessary repairs and or maintenance at its earliest convenience and during normal working hours normally on a first come first served basis.

All costs to rework or modify an existing utility for the convenience of the customer or for the remodel or upgrade of a facility being serviced by the City will be born by the customer. This includes moving a meter. A relocation of the meter is subject to City approval. The customer will be given an estimate prior to the work commencing and agree to the cost of the construction. All other construction procedures will be followed as it relates to said rework or modifications.

A customer who through the process of improving their property chooses to construct permanent improvements over any existing City natural gas service lines, the customer will be responsible for all costs associated with repair or replacement of said improvements in the event they are damaged or destroyed due to utility line repairs by the City including asphalt and concrete.

Utility Termination

Upon installation of the Natural Gas system into the City of Blanding, the City offered special incentives to customers to have natural gas risers or stubs installed under the terms of a written agreement with the City. As part of that agreement a customer is required to pay a stub or riser fee until a natural gas appliance has been installed and used for a period of at least two years. The following terms of disconnect are subject to the terms of previous written contracts with the City, including any incentive contracts.

Disconnect for Non-Payment

A 24 Hour disconnect notice will be delivered in writing to the property owner of record, or placed on the property prior to service termination. In the event the utility bill is not paid to the City within 24 hours after delivery of said notice, or if arrangements have not been made with the City, the utility will be disconnected without further notice. A utility disconnection for non-payment is at the discretion of the City Administrator. Any security deposit held by the City will then be applied to all outstanding balances, and the City will take all actions available to it under ordinance or agreement to collect all outstanding balances. The utility customer will be responsible for all attorneys and collection fees associated with collections on their account.

After a utility has been terminated for non-payment the account must be brought current including payment of the late fee, interest fees and a \$25.00 re-connection fee prior to the utility being turned back on.

Termination by Customer

At the request of the customer, a utility may be terminated after the following procedures have been followed:

- Current meter read and all outstanding balances have been paid to the City.
- A disconnect fee of \$10.00 for natural gas has been paid to the City if not transferred.
- A termination request has been signed and presented to the City.
- In the event a customer is renting, the landlord must be notified and sign a termination request prior to a service being terminated or disconnected.

Non-Emergency Temporary Disconnect

At the request of the customer a utility may be temporarily disconnected after the following procedures have been followed:

- Current meter read and all outstanding balances have been paid to the City.
- A disconnect fee of \$10.00 for natural gas has been paid to the City.
- A disconnect request has been signed and presented to the City.
- A reconnect fee of \$10.00 will be paid prior to reconnection.

In the event an additional utility can be connected or disconnected at the same time the disconnect fee and reconnect fee will only be \$15.00.

The payment of said fees will abate the monthly minimum charges assessed by the City until reconnection is requested by the property owner unless under city contract to pay minimum base fees.

Residential property held strictly for rent or lease will continue to be charged minimum fees when occupied, when the service meter reflects usage, and when the owner has failed to notify the City of their desire to disconnect. It is the owners responsibility to inform the City in advance of any changes in occupancy.

Transfer of Service

Once a City Utility connection has been made to a property that connection runs with the land. A utility connection can not be transferred to another location.

Any deviation from the above Policy must be approved in writing by the City Council or designee.